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The Jacobs Report

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LITTLE SUPPORT FOR GOP BUDGET OPPOSITION

Michigan Republicans have voiced loud opposition to Governor Jennifer Granholm's proposal to pause the January 1 income tax rollback. Reaction from the rest of the state has been of quiet acceptance.

In fact, a spokesperson for the governor said that only one citizen contacted the Executive Office last week in direct opposition to the proposal. In contrast, 147 persons had called to urge a rollback.

Liz Boyd, Ms. Granholm's press secretary, said that public feedback directed to the governor's mirrors the reaction she received on her recent budget tour.

And while many legislative Republicans have sharply opposed the pause, several have indicated that they will support it. As drastic cuts to services, local governments and education funding loom, other Republicans are taking a more cautious wait-and-see approach, although the Michigan Republican State Committee has issued a strong statement against the proposal.

Hoping to build more opposition, the state GOP issued a resolution to oppose the pause or any other tax increases. The resolution claims that the Republican Party "has always embraced the ideal of smaller government and lower taxes," and that in the current difficult times, the state "needs to create a positive environment for job growth for Michigan businesses and families." This statement ignores the fact that the state income tax was instituted under former GOP Governor George Romney in the 1960s and was increased several times during the 1970s during difficult economic times under former GOP Governor William Milliken.

State Republican Chair Betsy DeVos blasted the governor's proposal with typical hyperbole, calling the pause "a reckless tax increase," and a "job-killing tax hike."

DeVos didn't mention that the tax rollback would save the average Michigan family between \$29 and \$50 (about one dollar for every \$1,000 of taxable income) a year while costing the state approximately \$115 million in revenue it desperately needs.

The .1 percent rollback is the latest installment of a .5 percentage point cut enacted in 1998. At

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the time, state revenues (as well as spending *and* tax cutting) were at bountiful levels—a bold contrast to today's budget situation.

Calling for a pause in the rollback (keeping the tax rate at 4 percent), Governor Granholm proposed that the \$115 million retained be dedicated to the state's K-12 School Aid Fund, thus reducing the average district proration cut from the expected \$196 a pupil to about \$70 a pupil.

MICHIGAN DEMS TRAILBLAZE WITH INTERNET VOTING

The national Democratic Party approved Internet voting for the Michigan Democratic presidential caucuses on February 7.

Michigan will be the only state allowing Internet voting next year, although Arizona successfully used the technology in its 2000 Democratic presidential primary. Its use in Michigan was authorized by a 23-2 vote of the Democratic National Committee's Rules and Bylaws Committee.

In addition to implementing the new Internet system, the party will identify and publicize computers that are accessible to the public and establish a toll-free help line. Officials, realizing the importance of pointed, easy-to-follow voting steps, will also focus on implementing user-friendly instructions for Internet voters.

Michigan Democratic Party Executive Chair Mark Brewer has estimated that availability of the Internet voting option will dramatically increase participation in the caucuses to about 400,000. That compares to about 200,000 in 1988 caucuses and 500,000 in a 1992 primary where voters were required to declare party preferences. About 20,000 participated in caucuses four years ago.

The 2004 caucuses will also feature almost 600 traditional voting sites around the state and voters are able to cast ballots by mail over a five-week period.

In an about-face from a prior caucus system that limited voter participation, Michigan Democrats now boast their most accessible Michigan Democratic presidential caucus ever, according to Mr. Brewer.

Even so, the campaigns remain behind the times. Only former Vermont Governor Howard and retired General Wesley Clark supported the Internet voting plan; the other seven candidates opposed it.

State Senator Gilda Jacobs represents the 14th Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

Constituents of the 14th District may contact Senator Jacobs at sengjacobs@senate.michigan.gov or toll-free at 1-888-937-4453.

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